



**NORTH CAROLINA  
CREDIT UNION LEAGUE**  
*Committed to helping credit unions succeed*

December 23, 2009

Jennifer J. Johnson  
Secretary  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue, NW  
Washington, DC 20551

RE: Docket No. R-1367 – Proposed Rule on Home Equity Lines of Credit

Dear Ms. Johnson:

On behalf of the North Carolina Credit Union League (NCCUL), I am writing in response to the recently issued proposal implementing new changes to the home equity lines of credit (HELOC) rules under Regulation Z, the Truth in Lending Act. Under the Board's proposal, the rules for HELOCs would be revised to change the timing, content, and format of the disclosures that lenders provide to consumers at application and throughout the life of such accounts. The proposed rule would also attempt to protect consumers from inappropriate account terminations or restrictions.

NCCUL represents the interests of 98 North Carolina credit unions which provide financial services to 3.1 million members. As further rules under Regulation Z are proposed, we respectfully ask that you consider our comments.

Effective Date

NCCUL supports the Board's implementation of consumer protection-related laws and overall, agrees with many of the proposed changes to the HELOC rules. However, accomplishing these changes will be costly and require extensive operational modifications to ensure compliance. With the recent occurrence of expansive regulatory changes on all financial institutions, credit unions have already faced undue and unexpected financial burdens. NCCUL strongly encourages the Board to take into consideration the current economic environment and provide credit unions significant time (18 – 24 months) to acclimate their systems.

Required Disclosures

NCCUL is in favor of the Board's decision to eliminate the multi-page disclosure at application and replace it with a more meaningful and conspicuous one-page Board-published brochure entitled "*What You Should Know about Home Equity Lines of Credit*." Moreover, we believe the proposed disclosure to be provided three days after application is consistent with timing requirements of other regulations which in turn will alleviate potential compliance confusion. Lastly, the proposed content of the disclosures due at account opening as well as the tabular format, we consider to be appropriate.

Periodic Statements

Taken as a whole, NCCUL is supportive to the number of changes to the current requirements on periodic statements and believe it to be consistent with the January 2009 Regulation Z Rule for credit cards. Nevertheless, implementing significant adjustments to the format and content of the periodic statement for HELOCs will be costly. Again we want to reiterate the need for ample time to comply with the required changes.

NCCUL appreciates the opportunity to share its comments on the proposed revisions to the HELOC rules under Regulation Z.

Respectfully Submitted,

A handwritten signature in black ink that reads "Lauren D. Whaley". The signature is written in a cursive, flowing style.

Lauren D. Whaley  
Director of Legislative and Regulatory Affairs  
North Carolina Credit Union League  
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